

ANDERSON EXHIBIT 10D

DEY LABORATORIES

MEMORANDUM

TO: Sales and Marketing cc: R. F. Mazak
FROM: Helen Burnham *H. Burnham*
DATE: May 30, 1995
Re: ALBUTEROL WAC PRICING

Attached is a copy of a fax sent to all database managers to update their records with our wholesale acquisition cost (WAC) for albuterol.

As you know, the following states are now using WAC instead of AWP to calculate Medicaid reimbursement:

- Alabama
- Colorado
- Florida
- Maryland
- Massachusetts

WAC is not representative of our published wholesale list prices, but like AWP, is used for calculation of reimbursement. Our updated WAC values are in line with the Warrick WAC values provided by First Data Bank and should level the playing field for Medicaid reimbursement.

005

- Please give me a call if you have any questions.



7/15/97

Bob Whren
Physician Vice President
Physician Reliance Network (PRN)
6115 Preston Road, Suite 300
Dallas, TX 75225

Dear Bob:

The purpose of this document is to amend effective July 1, 1997 our current Kytril Agreement, dated October 15, 1995 to include the following modification under Section II paragraph A:

- I. SB agrees to pay PRN a rebate in the amount of \$20.46 per Kytril unit purchased during the term of this Agreement and used in a PRN clinic provided that PRN maintains and markets Kytril as the preferred oral and injectable SHT3 within its owned oncology centers. This rebate will be paid on a quarterly basis to PRN.
- II. SB agrees to guarantee a net price to PRN of \$102.00 throughout the term of this Agreement. This net price will be exclusive of wholesaler or distributor mark up or administrative fee applied to the purchases of Kytril injection by PRN.
- III. Contract expiration date stated herein shall be 12/31/97.

All other terms and conditions of our Agreement will remain in full force and effect unless inconsistent with or superseded by the terms of this Agreement.

Thank you for your continued interest in our products. If you have any questions regarding this extension please contact me at (214)751-7920.

ACCEPTED AND AGREED TO:

David Liebenstein Date
Sr. Contract Manager
SmithKline Beecham

Jerry Chassin Date
SmithKline Beecham IHD

Bob Whren Date
Executive Vice President
Physician Reliance Network

SB03930

January 1, 1994

on Whiteaker
Vareum Health Resource
196 The City Plaza, South
Orange, CA 92708

Dear Don:

As a follow up to our conversation regarding our special end of the year proposals the following prices and terms were offered:

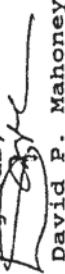
1. Gammime-N 10% promotion: 8/1-12/31/93

- A. Product will be billed at \$30.00 per gram.
- B. A credit memorandum will be issued in January for \$5.80 per gram retroactive to August 1, 1993.
- C. Special billing terms, less 2%, 90 days, net 91.

2. Kogenate promotion: 11/1/93-12/31/93

- A. Kogenate will be invoiced at \$.82 per AHF unit.
- B. A credit memorandum will be issued in January, 1994, for \$.21 per unit for all Kogenate purchased during this promotion. The following purchase orders were placed during this promotion: #12774; #12775; and #12776. These orders were for approximately 3,000,000 AHF units.

Please call me if I can provide you with any additional information.

Regards,

David P. Mahoney

6.0 REBATES

NU 0001059

6.1 Schedule A/Quarterly Performance Rebate. Purchases, net of returns, will be valued at contract price.

SCHEDULE A: QUARTERLY SANDOGLOBULIN® PERFORMANCE REBATE

Required Sandoglobulin® Purchases	Level	Sandoglobulin®	Performance % Benefit	Sandostatin®
\$ 0 - \$150,000	Level 1	18.5%	0%	
\$150,001 - \$200,000	Level 2	38.0%	0%	
\$200,001 - \$250,000	Level 3	42.0%	0%	
> \$250,000	Level 4	46.0%	6%	

Purchases, net of returns, will be valued at contract price.

6.2 Rebates will be calculated based on SPC data. The contracted account may seek amendment to these calculations provided alternate data is furnished and can be substantiated by SPC.

6.3 Rebate periods will be quarterly as follows:

Schedule A

From:

To:

October 1, 1995
 January 1, 1996
 April 1, 1996
 July 1, 1996

December 31, 1995
 March 31, 1996
 June 30, 1996
 September 30, 1996

CPD 10/13/94 2Y
 R94-0919 CT#MSP 04007 4-6/94

▼ PLEASE DETACH THIS STUB BEFORE DEPOSITING CHECK ▼

S

REGULAR ACCOUNT	
00-35	631
CHECK NUMBER	
0982197	
DATE	AMOUNT
10/06/94	*44153.798.29
PAY TO THE ORDER OF:	
CAREMARK PRESCRIPTION SERVICE	
111 BARCLAY BLVD	
LINCOLNSHIRE IL 60069	
Wachovia Bank of North Carolina, N.A.	
Wilmington, N.C. 28401	
AUTHORIZED SIGNATURE	
 <i>Alan L. Smith</i> <i>Alan L. Smith</i>	

H-5

#00982197# 1053100355:0 10454 001272#

First Class & Comment
 10/12/94 h

I-6

Customer	111 1777710	Rebate Form:	<input checked="" type="checkbox"/> X	Check	\$ <u>24,289.68</u>
Name and Address:		Credit	<input type="checkbox"/>	<input type="checkbox"/>	<u>Mr. J. J. RG</u>
Quantum Health Resources		Rx Product	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6666 East 75th Street		OTC Product	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indianapolis, IN 46260		Carryover	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Attn: Director of Pharmacy		Carry Forward	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If Direct Account, are payments up to date? <input type="checkbox"/> Yes per <input type="checkbox"/> No (State Status below)					
Avg. Membership/Scripts for Rebate Period:		Membership (HMO)	<input type="checkbox"/>		
		Scripts (HSP)	<input type="checkbox"/>		
Send copy of detail sheets to the Account <input type="checkbox"/> (your copy is automatically mailed)					
Make rebate payable to: _____					
If Different From Above: _____					

5-1

Bayer

Pharmaceutical
Division

Internal Memorandum

DATE: October 1, 1996
TO: Chris Cheney
FROM: David Mahoney *DM*
SUBJECT: Volume Sales Opportunities - Kogenate®
cc: Jim Patchen
Jim Lamb

Our two largest Kogenate® customers, Quantum Health Resources and Caremark, have both stated that they will consider purchasing largest additional amounts of Kogenate® from now until the end of the year.

Quantum projects their recombinant factor VIII, sales to be 100mm/units in 1996. We will supply between 25 and 28/mm units of Kogenate®. They have committed 60 mm/ units to Baxter and Armour. This leaves approximately 12mm / unit up for grabs. We have an excellent chance to pick up most, or all of these 12mm / unit if we put together an attractive proposal.

I have been told that our present Kogenate® price, \$.66, is the highest price that Quantum is paying for recombinant factor VIII. In order to sell the additional 12mm/u we will need a lower price. I suggest a price of \$.60 to \$.62 to secure this volume. From Quantum's stand point, a price off invoice, is the most desirable. We could calculate our offer in the form of a marketing grant, a special educational grant, payment for specific data gathering regarding Hemophilia treatment, or anything else that will produce the same dollar benefit to Quantum Health Resources. If we are interested in pursuing this additional volume of Kogenate® sales, I will need your input in the next 10 days. I have a meeting scheduled with Pete DeComo, Sr. VP, Operations, during the National Hemophilia Foundation Convention on October 17, 1996.

Caremark is also in the position to buy an additional 3-4 million units of Kogenate® by the end of the year. We should consider something comparable to Quantum in order to pursue this business.

Chris please get back to me with your ideas as soon as possible.

CONFIDENTIAL
COMMERCIAL INFORMATION

BAY005241
BAY005242

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Value of Baxter's Free Goods
to Caremark

1994 AWP for GAMMAGARD 10 grams

= \$610.20

224 x \$610.20 =

\$136,684.80

J-3

ONCOLOGY PURCHASING AGREEMENT

Seller:

PHARMACIA
 P.O. Box 16529
 Columbus, OH 43216-6529

Buyer:

TEXAS ONCOLOGY
 3320 Live Oak Street
 Dallas, TX 75204

TX122

OPA

Contract Number CT00002210 6/26/94 - 5/31/97
 (To Be Assigned By Pharmacia) replaces CT00002143

6/26/94

The following prices are being offered for consideration by Pharmacia (SELLER) to Texas Oncology (BUYER) under the terms and conditions outlined below, and subject to all applicable Government regulations, for the period June 1, 1994 through May 31, 1997, effective upon acceptance of this written agreement.

All invoices will be priced according to the following schedule:

PRODUCT DESCRIPTION	NDC. No 0013-	UNIT SIZE	PRICE
ADRIAMYCIN RDF® (doxorubicin hydrochloride for injection USP)	1086-91	10 mg vial	\$ 12.40/vial
	1096-94	20 mg vial	\$ 24.80/vial
	1106-79	50 mg vial	\$ 62.00/vial
	1116-83	150 mg vial	\$182.28/vial
ADRIAMYCIN PFS® (doxorubicin hydrochloride injection USP)	1136-91	10 mg vial	\$ 14.00/vial
	1146-94	20 mg vial	\$ 28.00/vial
	1156-79	50 mg vial	\$ 70.00/vial
	1176-87	75 mg vial	\$105.00/vial
	1166-83	200 mg vial	\$ 274.40/vial

002824

Oncology Wholesale Purchasing Agreement
 Pharmacia and Texas Oncology
 Page 2

PRODUCT DESCRIPTION	NDC. No 0013-	UNIT SIZE	PRICE
ADRUCIL® (Fluorouracil injection USP)	1036-91	500 mg vial	\$ 53/vial
	1046-94	2.5 gm vial	\$ 4.42/vial
	1056-91	5 g vial	\$ 6.82/vial
FOLEX PFS™ (methotrexate sodium injection USP)	2266-91	50 mg vial	\$ 3.01/vial
	2276-91	100 mg vial	\$ 4.14/vial
	2286-91	200 mg vial	\$ 4.94/vial
	2296-91	250 mg vial	\$ 7.43/vial
NEOSAR® (cyclophosphamide for injection USP)	5606-93	100 mg vial	\$ 2.82/vial
	5616-93	200 mg vial	\$ 4.47/vial
	5626-93	500 mg vial	\$ 7.43/vial
	5636-70	1 GM	\$ 11.75/vial
	5646-70	2 GM	\$ 23.50/vial
VINCASAR PFS® (vincristine sulfate inj USP)	7456-86	1 mg vial	\$ 5.34/vial
	7466-86	2 mg vial	\$ 9.52/vial
AMPHOTERICIN-B	1405-44	50 mg vial	\$ 18.75/vial

Pharmacia standard terms and conditions of sale are attached and form a part of this agreement. Payment terms for this agreement will be 2% 60 days, net 61.

Where Texas Oncology has pharmacy facilities, Pharmacia will provide Texas Oncology two sets of invoices for each order, with one being sent to the "ship to" location and the other to the "bill to" location.

Periodic price reviews will be conducted at a minimum of every 12 months, as initiated by Pharmacia or Texas Oncology. Adjustments based on market competition will be agreed upon by both parties.

002325

Oncology Wholesale Purchasing Agreement
Pharmacia and Texas Oncology
Page 3

Other oncology products may be added to this agreement, at a price to be negotiated between the parties, as they become available.

Pharmacia will provide Texas Oncology with a one time educational grant of \$35,000 to provide systems for drug and pharmaceutical information and management.

During each year of this agreement 6/1 - 5/31, if Texas Oncology exceeds the unit purchases of doxorubicin of the preceding year (calculated in 10 mg equivalent units), Pharmacia will provide Texas Oncology with 5% of this years purchases in unit terms in free goods. These free goods will be provided in the pack desired by Texas Oncology.

This educational grant and free goods rebate should be regarded as discounts from price and all Medicare/Medicaid claims should reflect this discount.

Pharmacia and Texas Oncology will meet and negotiate in good faith to establish a joint approach to Texas Oncology's managed care business. *rm - JK*

This agreement contains confidential materials. The release of this information to any third party without prior written permission from Pharmacia may result in termination of agreement prices.

This agreement is not binding until it is signed by the Buyer and received and accepted by Pharmacia.

Accepted By:

Bob Whren

Bob Whren
President, Texas Oncology Pharmacy Services
Texas Oncology, P.A.

Approved By:

Thomas J. Komenda 6/20/94

Thomas J. Komenda
Director of Sales
Pharmacia

6/1/95
Date

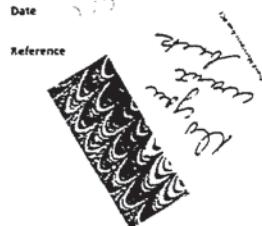
TK/cj - May 26, 1994

002826

220



J-4



June 5, 1995

To: Dave Westaway
From: Randy Ross
Re: Texas Oncology Contract Review Meeting - June 27, 1995

In preparation for our meeting with Bob Whren on June 27, I have listed some items that we should address for the meeting.

1. **Unrestricted Educational Grant**

- * \$35,000 grant was previously provided and combined with 5% free goods to offset Chiron doxonubicin offer of \$53.95 / 50 mg. versus our price of \$62.00 / 50 mg. equivalent.
- * I have requested Beth Remmenga to confirm performance to qualify for free goods.
- * Upon receipt of Beth's information, we should determine terms to remain price competitive.
- * In our conference call with Bob Whren last year, he did raise the question of the \$35,000 in years 2 and 3 of the contract. This will be an issue to address.

2. **Pricing Adjustments**

- * In speaking with the buyer for Texas Oncology, he indicated that he thought our Vincasar price might be a little on the high side. I asked him to provide any additional information and I am waiting for his follow up. At this time, it is below our best rebated price for the SA2 and I am inclined not to change it unless we are significantly out of line with an offer they have.

3. **Contract Terms**

- * Bob Whren has indicated an interest in utilizing a wholesaler and has been courted by Alternate Site Distributors (ASD) of Dallas. The sticking point is that Bob is not willing to pay the wholesale up charge.
- * Texas Oncology is also in the process of developing an online communications system for their pharmacies and offices that will eventually include inventory management and ordering. Some parts of the system are active at this time. They are using a consulting group called Access Data out of Tennessee to develop the system.

Postal address Adria Laboratories Post Office Box 16529 Columbus, Ohio 43216-6529 USA	Visiting address 7001 Post Road Dublin, Ohio 43017 USA	Telephone 614-764-8100	Telex 246-620	Main Telefax 614-764-8102
030305				

4. **Toposar Addition to Contract**

- * They currently have a contract with Gensia that runs into the fall. They prefer not breaking existing contracts and I respect that.
- * We may wish to make an offer that allows us to be their designated second line source insuring that our pricing is below Gensia's. For some additional consideration, we should ask for the first right of refusal after the current contract with Gensia expires.

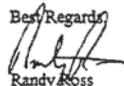
5. **Capitation Options**

- * Still a topic of interest with them.
- * As part of the contract review, we should offer some plans for a prospective review under a capitated rate per life or per case. Specify each parties responsibility in gathering and analyzing data. This keeps the conversation moving. By setting it up as a prospective review, we can compare potential programs to the current traditional contract without putting either party at risk.

6. **Meet with Dr. Reese**

- * Follow up on conversation that Dr. Thio had with Reese, Jones and Swain at Snowmass.
- * Dr. Reese indicated an interest in "partnering" with pharmaceutical companies but not necessarily in the Zeneca sense.
- * This is an important area and opportunity for Senior Management follow up.
- * Possibly bring both Dr. Reese and Bob Whren to Columbus for a meeting.

Dave, these are the issues that I see as most pressing at this time. I hope that you and I can discuss these no later than the Zinecard launch meeting in Orlando. I will follow up with you later this week to find a time that would be best for you. If you have any questions, please let me know.

Best Regards,

Randy Ross

cc: Ola Magnusson
T. Komenda
J. Thompson
T. Klinker
D. Marsico
B. Remmenga

ANNA R

222



EDUC.
PROGRAMS

March 24, 1997

John E. Thompson
National Account Director
Pharmacia & Upjohn
7000 Portage Road
Kalamazoo, MI 49001-0199

Dear Mr. Thompson:

American Oncology Resources would like to thank you again for Pharmacia & Upjohn's 1997 commitment to key medical education activities. As confirmation, I have listed below the specific details of this commitment, as well as, an invoice for that activity. Financial sponsorship of a medical education meeting can be received at the time of the meeting. As a reminder, your company is welcome to attend these meetings during designated times and present material appropriate to the discussion.

Medical Education Meeting	Date	Sponsorship
Disease Specific Task Force	June	\$6,750
Disease Management Task Force	July	25,500
Research Task Force	September	21,000
50 AOR Yearbooks	April	2,500

Payment for your purchase of the AOR yearbook is due upon receipt of this invoice. Copy for the yearbook is currently being finalized and printing should be complete within the next month. As soon as they are received we will ship them to you.

Thank you again for your committed involvement with AOR during 1997. We look forward to working with you to improve and advance the care our cancer patients.

Sincerely,

Sharon Jameson, RN
Sharon Jameson, MBA, RN
Director, Medical Affairs

060914

5-6

AOR/PHARMACIA & UPJOHN
PARTNERSHIP PROPOSAL

Elements of proposal:

1. **Contract Pricing for P&U products (see Attachment I)**
 - 3-year agreement
 - 3% administrative fee on all products ~~under contract~~ (\$473,800 based on '97 projections).
 - CAMPTOSAR price protection thru 1997. Six month reviews after January 1, 1998.
 - Flexibility in negotiation of pricing if government intervenes in reimbursement processes.
2. **New Product Introductions**

P&U will work with AOR on all new product introductions.

P&U will work with AOR at introducing our LHRH to compete against Lupron/Zoledex. Our LHRH, brand name Triptorelin, will be available in late 2nd Quarter, early 3rd Quarter.

P&U, working with AOR, would establish a pricing mechanism for Triptorelin with spreads favoring AOR versus current LHRH. Triptorelin would be a therapeutic equivalent to Lupron/Zoledex. This pricing advantage would increase profitability to AOR
3. **Medical Education Grants**

A \$55,000 grant has been committed for 1997 for the AOR Partnership for excellence package including:

 - Education/Disease Management
 - Research Task Force
 - AOR Annual Yearbook

A \$40,000 grant to sponsor the AOR monthly teleconference. This sponsorship was committed and completed in February 1997.

Both of these grants would be committed in 1998 and future years if the partnership is agreed to.
4. **P&U Customer Development Program with AOR**

This commitment valued at \$300,000-\$400,000 would include:

 - a. Clinical practice improvement program (CPI).
 - b. Consultation on disease management processes and principles.
 - c. Research and analysis of "Best Practices" for CPI.
 - d. Design Works, a P&U customized behavior change program.
 - e. Other developmental customized programs for AOR. Example: Development of Internet access, coordination of AOR's Regional Marketing Directors for recruitment, patient satisfaction surveys, etc.

50865

All of the above to be co-developed to the satisfaction of AOR and P&U.

5. Clinical Research Trials

Initial Phase III Protocol trial for "Oral Idamycin" in lymphomas. This trial will offer AOR \$1.1M in additional revenues. Two hundred twenty-five (225) patients at \$5,000 per patient.

This clinical research trial is dependent on the signing of a partnership agreement. AOR will become a "first choice" for clinical studies.

6. Sharing of AOR Clinical Information Systems

P&U is committed for \$100,000 to AOR per calendar year to develop and share AOR Clinical Information System.

The above six items are contingent on the signing of the AOR Disease Management Partner Program. AOR's exclusive compliance to the purchase of the products listed in the contract product attachment is also necessary for the above items to be in effect.

Sheet1

Attachment 1						
AOR Contract Pricing Proposal, April 1997						
Product	AWP	List	AOR	Suggested	\$ Volume	
	Price	Current	New Contract	Price	Prices	
Adriamycin					\$ 2,123,528.00	
1086-91	RDF 10 mg	\$ 48.00	\$ 36.80	\$ 8.00	\$ 7.50	
1096-91	RDF 20 mg	\$ 92.00	\$ 73.60	\$ 16.00	\$ 15.00	
1106-79	RDF 50 mg	\$ 230.00	\$ 184.00	\$ 40.00	\$ 37.50	
1116-83	RDF 150 mg	\$ 676.19	\$ 540.95	\$ 120.00	\$ 114.00	
1136-91	PFS 10 mg	\$ 48.31	\$ 38.65	\$ 8.40	\$ 7.50	
1146-91	PFS 20 mg	\$ 96.63	\$ 77.30	\$ 16.80	\$ 15.00	
1156-79	PFS 50 mg	\$ 241.56	\$ 193.25	\$ 42.00	\$ 37.50	
1176-87	PFS 75 mg	\$ 362.35	\$ 289.88	\$ 63.00	\$ 56.25	
1166-83	PFS 200 mg	\$ 946.84	\$ 757.55	\$ 168.00	\$ 150.00	
Adrucil					\$ 160,427.00	
7525-36	500 mg	\$ 1.54	\$ 1.23	\$ 0.93	\$ 0.93	
7525-37	2.5 gm	\$ 7.69	\$ 6.15	\$ 4.42	\$ 4.42	
7525-38	5 gm	\$ 15.38	\$ 12.30	\$ 6.82	\$ 6.82	
bleomycin					\$ 1,182,348.00	
1616-79	15 IU	\$ 292.43	\$ 233.94	\$ 187.00	\$ 175.00	
1616-86	30 IU	\$ 584.83	\$ 467.86	\$ 374.00	\$ 350.00	
Neosar					\$ 370,575.00	
7525-40	100 mg	\$ 5.39	\$ 4.31	\$ 2.50	\$ 3.00	
7525-41	200 mg	\$ 10.24	\$ 8.19	\$ 3.50	\$ 3.50	
7525-42	500 mg	\$ 21.50	\$ 17.20	\$ 6.95	\$ 5.00	
7525-43	1 gm	\$ 43.01	\$ 34.41	\$ 11.50	\$ 9.00	
7525-44	2 gm	\$ 86.00	\$ 68.80	\$ 22.00	\$ 18.00	
Toposar					\$ 931,621.00	
7525-45	100 mg	\$ 136.49	\$ 109.19	\$ 19.50	\$ 12.00	
7525-46	200 mg	\$ 272.98	\$ 218.38	\$ 39.00	\$ 24.00	
7525-47	500 mg	\$ 565.38	\$ 532.30	\$ 97.50	\$ 60.00	
7366-73	1 gram	\$ 1,330.75	\$ 1,084.80	\$ 195.00	\$ 120.00	
Vincasar					\$ 129,264.00	
7525-48	1mg	\$ 370.75	\$ 296.80	\$ 4.15	\$ 4.15	
7525-49	2mg	\$ 741.50	\$ 593.20	\$ 7.75	\$ 7.50	

000867

Sheet1

000868

From: ROSSR Reading Electronic Mail
Date: 09/29/95 Priority: Normal
o: 1: GAHML 4: Copy: 1: KLINKERT
2: 5: 2: THOMPSOJ
3: 6: 3: KOMENDAT
Subject: Meeting with Texas Oncology Files Attached: No

.sa, Please forward this email to Dave Marsico, Dave Westaway and Pasquale
.ter. Thanks. Randy
xx
ptember 29, 1995 *Via C. Inj \$4.55*
:: Distribution *2mg \$8.97 630*
:om: Randy Ross *2mg*
:: Meeting with Texas Oncology *2mg*
met today with Bob Whren of Texas Oncology to discuss the \$40 / 50
doxorubicin price that Bristol has offered and other issues.

Informed Bob that we would keep him competitive with the
arket, however, the Rubex brand was not identical to our RDF 150.
discussed stability, sterility and single dose vial versus multi dose
al issues. There is agreement that we do have a product of more
alue to their clinic network. Agreeing on that value, and working the
ice from that point will be the next goal.

We discussed using free goods and grants to offset some of the
ice differences as we have in the past. Bob is very open to that.

There may be some room to bring the PFS MDV into the
icture. Bob agreed that it would be of greater significance in offices
here RN's are doing the RDF reconstitution. Finding an premium
er the RDF will be necessary.

WE revisited the issue of capitation. The physician committees
re completing a second re-write of the treatment guidelines. Bob does
t have access to them at this time. Once completed, we can use them
decide if capitation is an option here.

Texas Oncology would prefer to depot their contract through
ternate Site Distributors (ASD) in Dallas. Since they do not wish to
ay an up charge, the 2% would fall to us in order for this to happen. I
marked that in our efforts to respond to the Bristol pricing, we may
t be able to participate with ASD. (As mentioned before, the 2%
ay be a wash for us considering the savings in shipping and invoicing
sts. I mentioned the above to Bob as an "out" if we wanted it.)

I discussed the VP-16 pricing and upcoming request for bid.
a voluntarily lowered our contract price to the current deal. Also, I
iscussed with Bob the rapid downward market adjustment of VP-16
ince early April. He said their current supplier, Gensia, had done a
od job of keeping up with the market adjustments. He did like the
ea about linking changes in Toposar pricing to changes in the Federal
ly Schedule (FSS). When discussing how many changes have
urred in the FSS, I detected that Bob thought that possibly Gensia
id not respond as frequently or as quickly as Bob had originally
lieved. *08275*

Chronicare™
exclusively from
Quantum
Health Resources

March 2, 1995

David P. Mahoney
Miles, Inc.
400 Morgan Lane
West Haven, CT 06516-4175

Re: Status of Pricing Discussions Remainder of 1995

Dear Dave:

This note summarizes the results of our pricing discussions to date. These are a result of our meeting in Orange on February 15, 1995 which included yourself, Jim Patchen, John DeStefanis, and myself. Subsequent to that meeting, you and I had further telephone conversations on February 24, 1995, and March 2, 1995 which have yielded the results outlined. If you have any other understanding of these agreements you need to communicate this to me by March 7, 1995.

Agreed:

- 1) Koate pricing will decrease to \$.17 per unit with terms of 2.5% 30, net 31.
- 2) Kogenate pricing will increase to \$.61 per unit with terms of 2.5% 30, net 31 effective March 1, 1995. However, it is agreed that Quantum will have the opportunity to purchase 4,000,000 units of mid and high range material at \$.58 per unit, even if the product does not become available until after March 1, 1995. Additional price increases of no more than \$.01 on July 1 and October 1, 1995. You will endeavor to supply Quantum with 35,000,000 units of Kogenate for calendar 1995.
- 3) Furthermore, it is agreed that you will evaluate and determine in a timely manner a dollar amount which will offset losses in revenue and expenses outlaid in the recall of Prelastin in calendar 1994.

Miles Biologics will also support Quantum's programs that benefit the Hemophilic population generally (such as education, camps, preceptorships, and other programs) by providing Quantum with \$200,000. Quantum will be entitled to use this money to support these programs as it deems appropriate. This money will be allocated to Quantum at the rate of \$50,000 quarterly.

CONFIDENTIAL
COMMERCIAL INFORMA

790 The City Drive South / Suite 400 / Orange / California / 92668
(714) 750-1610 / Fax (714) 750-3235

BAY000119

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David P. Mahoney
March 2, 1995
Page Two

This summarizes the full extent of the agreements we discussed. Beyond that we will negotiate a supply agreement for the balance of the year.

Regards,



Don Whiteaker
Director of Purchasing

cc: K. Coleman
J. DeStefanis
J. McIlwraith

DW/Smw/mt/00

CONFIDENTIAL
COMMERCIAL INFORMATION

BAY000120

J-9

Dispro. Share
\$48.15

PHASE I

GPO

FSS \$44.95
whls \$71.00
Dist. \$51.50
AMP \$109.20

Rep Min \$54.00
WPO's @ \$54.00
Cardinal
Bemis
AmeriNet

- No attempts to aggressively secure GPO awards during this period (Q1 - Q2).
- Target a total of 3 - 5 state, county or regional GPO bids to send false pricing signals to competition. Recommended pricing \$53 - \$58/vial.

HOSPITAL

- Concentrate field reps. on the top 40 AIDS hospitals using a \$54.00 price in conjunction with a 10% free goods program to mask final price. Provides the account with an effective price of \$48.60 per vial.

DISPROPORTIONATE SHARE PROGRAM

- Establish the Disproportionate Share Price at \$48.50. This represents an 11% reduction to a projected AMP of \$54.50/vial.
- Focus sales force on these accounts during Q1 and Q2.

FSS

- Establish a price of \$52.00/vial for Q1 and Q2.

what about a
place like
Jacobs Re
(Gaines Long Fellow)

HOMECARE/ALT.

- Focus attention of Corp. Mktg. Mgrs. on these accounts during Phase I. -- Pricing, based on current market conditions, should range from \$53.00 - \$51.00 per vial.
- Pricing program for Top 10 HomeCare accounts should have the flexibility to include a "Product Credit" program that guarantees long-term price competitiveness. This program would be reviewed at the end of each quarter with the account. Quarterly pricing reference would be the AMP (Average Market Price) report to HCFA plus 10%.

Example:

Account buys 10,000 vials during Q2 at \$57.00 per vial for a total of \$570,000. At the end of Q2, an AMP is reported to HCFA of \$50.00.

$$\$50.00 \times 110\% = \$55.00$$

$$\$57.00 - \$55.00 = \$2.00$$

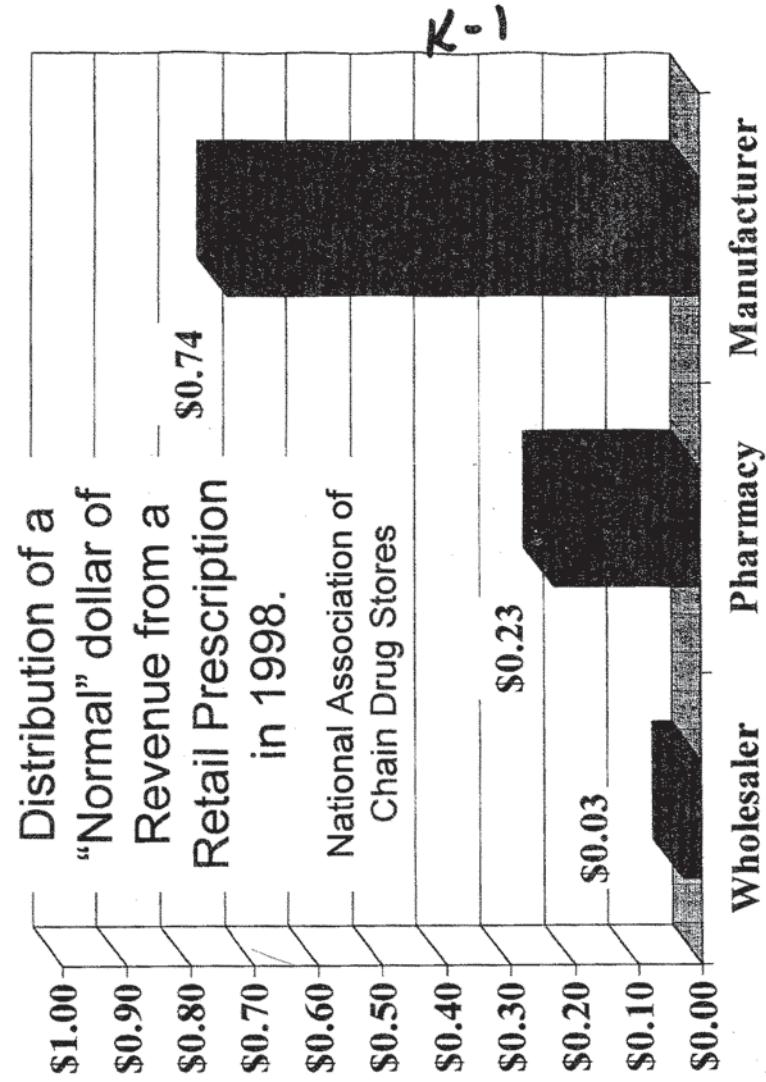
$$\$2.00 \times 10,000 = \$20,000$$

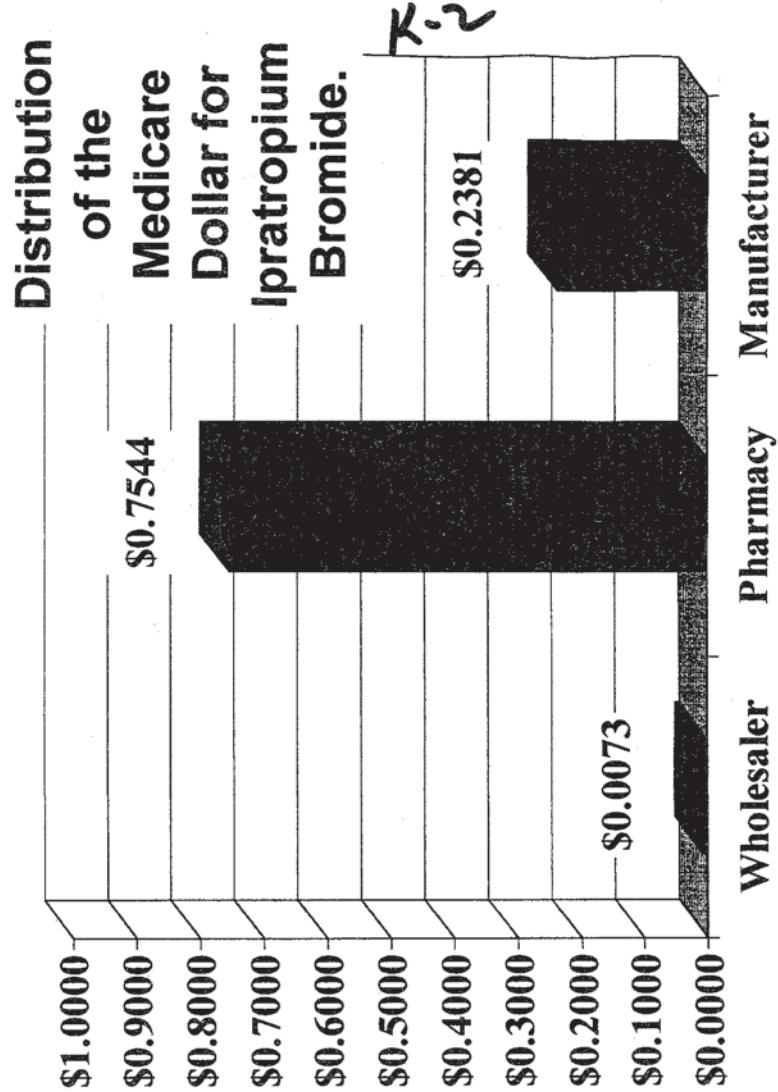
Possible
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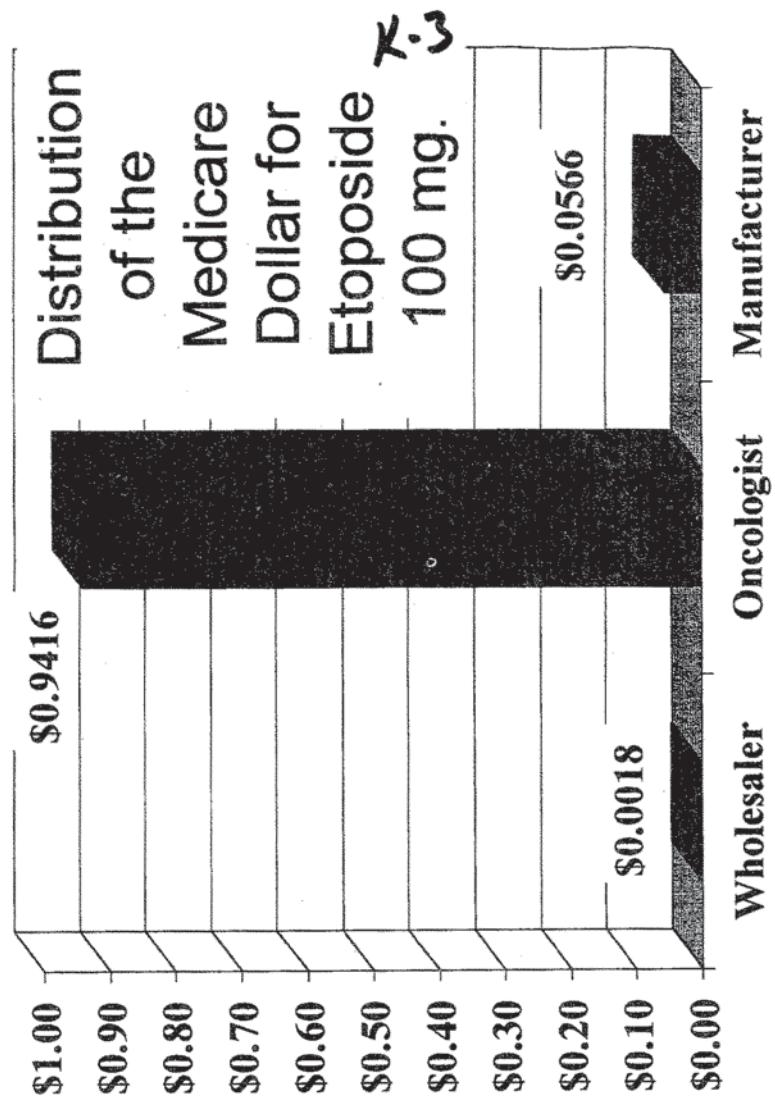
Common Denver
OPTONICS Chicago
Hancock CA
NMC Waltham Mass
Home Int'l Cr Miami
Health Cr. Miami
UATC Marietta GA

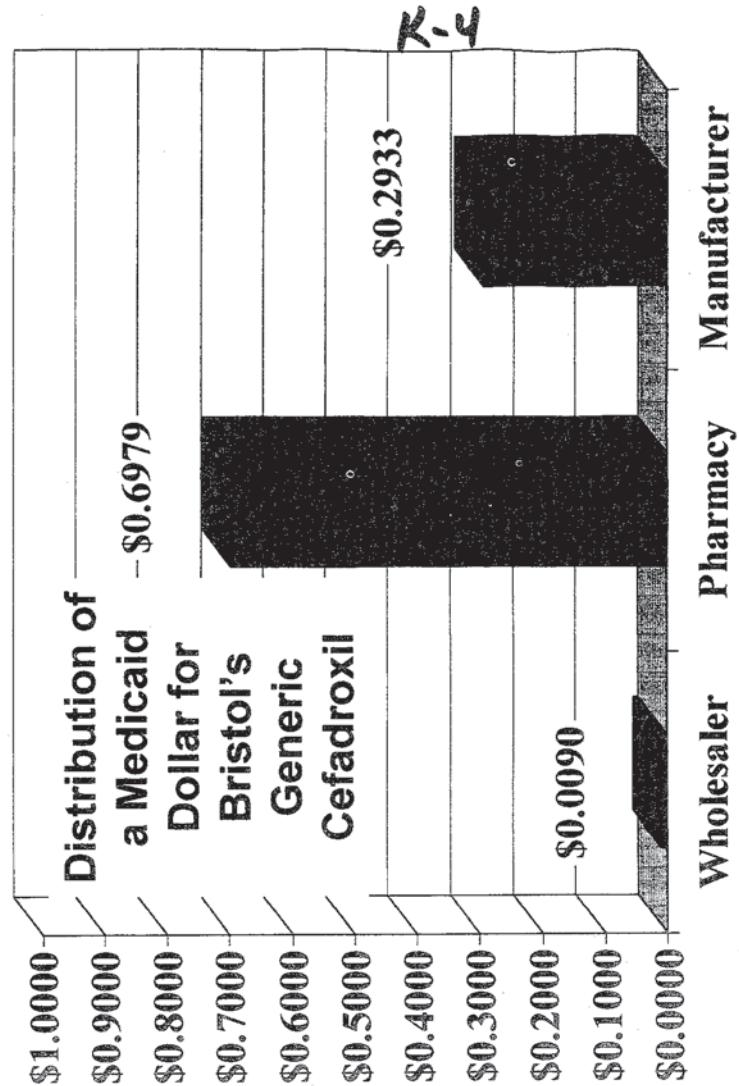
I NEED
TO HANDLE
AmeriSource
Tiffin (PrimeNet)
Valley Forge, PA
der phase

G 88888









T-1

FO 5TH DRGS

CPT CODES	BRAND NAME	MCRE ALLOW	YTD 1995 VERSYS	Mth to Date	YTD
				YTD 1995 Medic	MCRE ALLOW
J9140	DTIC 200 MG	\$ 24.17	0	0	\$ -
J9150	CERUBIDINE	\$ 77.52	0	0	\$ -
J9181	TOPOSAL	\$ 14.20	1446	207	\$ 23,412.60
J9182	TOPOSAL	\$ 141.97	432	65	\$ 70,559.09
J9185	FLUDARA 50 MG	\$ 174.30	51	0	\$ 8,889.30
J9190	FLUORORONRACIL	\$ 1.55	1930	256	\$ 3,388.30
J9200	FUDR 500 MG	\$ 122.84	4	0	\$ 491.76
J9202	ZOLADEX 3.6 MG	\$ 344.76	0	0	\$ -
J9208	IFEX/IFOSFAMIDE 1 GM COMBO	\$ 101.84	592	51	\$ 65,547.42
J9209	MESENNA	\$ 15.43	2125	228	\$ 36,275.83
J9213	ROFERON A 3 MILU	\$ 29.87	118	48	\$ 4,988.42
J9214	INTRON A 1 MILU	\$ 9.96	736	129	\$ 8,615.40
J9217	LUFRON DEPOT 7.5 MG	\$ 463.75	21	1	\$ 10,202.50
J9260	METHOTREXATE 50MG	\$ 4.75	242	23	\$ 1,258.75
J9265	TAXOL 30 MG	\$ 182.63	466	171	\$ 116,335.31
J9280	MUTAMYCIN 5 MG	\$ 128.95	41	2	\$ 5,544.85
J9280	MUTAMYCIN 20 MG	\$ 435.49	8	1	\$ 3,919.41
J9283	MITOXANTRONE 5 MG	\$ 154.05	35	24	\$ 9,088.95
J9360	VELBAN	\$ 3.75	279	49	\$ 1,230.00
J9370	VINCERISTINE 1 MG	\$ 31.75	155	29	\$ 5,842.00
Q0136	PROCIRT 1000 UNITS	\$ 12.00	995	30	\$ 12,300.00
Q9XX	PROCIRT 10000 UNITS	\$ 12.00	588	380	\$ 11,738.00
	TOTALS				\$ 1,085,941.34

COST ALLOCATED BY BOOKS

\$ 637,840.00

PROFIT FROM DRUGS

\$ 448,301.34

CHEMO DRUGS

DECEMBER 1997

TOTALS	
\$	98,945.52
64%	12,000
36%	0

MTD DRUG COST FOR DR. [REDACTED] AND DR. [REDACTED]

% OF DR. [REDACTED] = MTD DRUG COST/TOTAL DRUG COST
% OF DR. [REDACTED] = MTD DRUG COST/TOTAL DRUG COST

MTD DRUG PROFIT FOR DR. [REDACTED] AND DR. [REDACTED]

YTD DRUG COST FOR DR. [REDACTED] AND DR. [REDACTED]

% OF DR. [REDACTED] = YTD DRUG COST/TOTAL DRUG COST
% OF DR. [REDACTED] = YTD DRUG COST/TOTAL DRUG COST

YTD DRUG PROFIT FOR DR. [REDACTED] AND DR. [REDACTED]